

SENATE BILL 2552

By Clabough

AN ACT to amend Tennessee Code Annotated, Title 48, Chapter 2, Part 1, relative to the regulation of charitable gift annuities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 48-2-103(b), is amended by adding the following as an appropriately designated subdivision:

(_) Any offer or sale of a charitable gift annuity as that term is defined in §56-52-102(1);

SECTION 2. Tennessee Code Annotated, Section 48-2-109, is amended by deleting subsection (a) in its entirety and by substituting instead the following:

(a) It is unlawful for any person to transact business from or in this state as a broker-dealer or agent unless such person is registered as a broker-dealer or agent under this part except that:

(1) Notwithstanding the foregoing, a bank shall be exempt from registration as a broker-dealer to the extent its activities are excepted under either the definition of "broker" in §3(a)(4)(B) of the Securities Exchange Act of

1934 or the definition of "dealer" in §3(a)(5)(C) of the Securities Exchange Act of 1934;

(2) A person that limits such person's activity as a broker-dealer to acting solely as a broker-dealer with regard to charitable gift annuities, as that term is defined by §56-52-102(1), shall be exempt from registration as a broker-dealer;

(3) A person that limits such person's activity as an agent to acting solely as an agent on behalf of a person that is eligible for the exemption from broker-dealer registration in subdivision (2) of this subsection shall be exempt from registration as an agent.

SECTION 3. Tennessee Code Annotated, Section 48-2-109(c), is amended by adding the following as an appropriately designated subdivision:

(_) The person limits such person's investment adviser activity to advising others as to the advisability of investing in charitable gift annuities as that term is defined by §56-52-102(1).

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.